GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1624
ANSWERED ON:02.12.2005
NARASIMHAN COMMITTEE ON INSUNIACE
Panda Shri Prabodh;Saradgi Shri Iqbal Ahmed

Will the Minister of FINANCE be pleased to state:

(a) Whether the Narasimhan Committee in its draft report on the proposed amendment in the Insurance Act has stressed the need to bring down the minimum required capital base from Rs. 100 crores to Rs. 45 crores for Insurance companies:

(b) if so, whether the Committee is preparing a draft on the proposed amendments in the Insurance Act; and

(c) if so, the main recommendations and the number of recommendations v/hich have so far been considered and incorporated in the present Insurance Act.

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a), (b) & (c) : The Narasimhan Committee was set up by the Insurance Regulatory and Development Authority (IRDA) to deliberate on the recommendations of the Law Commission to review the Insurance Act, 1938. It has submitted its report to IRDA in July, 2005. IRDA has placed this report in the public domain for comments of all stakeholders. IRDA is yet to submit its report to Government.